

ISSUES

Beginning the Adventure

By Matt McCall and Charlie Shrem October 9, 2020

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Welcome to the inaugural issue of the *Crypto Investor Network*!

We hope you've had a chance to read through the research reports you received as a charter member of the network – and maybe even get started with your first altcoin investments if you haven't already. As you know, we started with four coins in [the portfolio](#), and there will be plenty more opportunities in the months ahead.

Take it from a couple of guys who have been following the industry for a long time: The blockchain and the software that runs on it – namely altcoins – are much more than a passing fad or buzzword.

Remember, the World Economic Forum predicts that 10% of the world's GDP will be stored on the blockchain in the next four years or so. That's about \$14.2 trillion! And in a few decades, that number could rise to more than \$70 trillion... although that's probably a conservative estimate.

This revolution is going to change everything – credit cards, real estate, energy, e-commerce, electric vehicles, healthcare, voting, identity theft, and on and on.

Put simply, blockchain is an ultra-safe and secure way to store information. It's the safest way to store and transfer information ever created, and it's going to make everything more transparent, more secure, and more cost effective.

We'll remind you of perhaps the two most important facts that illustrate the opportunity ahead:

Everything will soon run on the blockchain as it becomes the new internet. It will rewrite how business is done and how personal fortunes are built in the modern age.

The only way to have direct ownership in this groundbreaking technology is through altcoins. Altcoins are rewriting the way wealth is being built today.

This revolution is already underway, but the truly seismic shift – when the massive profits are made – comes as businesses, consumers, and big-money investors realize what’s going on. It’s starting, and we expect a huge rush into cryptocurrencies in the coming years.

Our goal each month is to bring you the most important stories and happenings in the crypto industry – the developments that show this “Awakening” unfolding. We want you to become more educated on what we believe will be one of the most lucrative investment trends of the Roaring 2020s and beyond.

Let’s get right to it.

Decentralized Exchanges on the Rise

We’ll start with one of our recommended coins, **Uniswap (UNI)**. Uniswap is a decentralized exchange, and the big news is that its trading volume recently surpassed that of Coinbase, which is one of the most widely available (in the U.S.) and easiest to use exchanges.

It’s big because decentralized exchanges have been held back as they do not accept U.S. dollars or any other traditional “fiat” currency. A centralized exchange, on the other hand, does allow users to convert dollars into bitcoin or altcoins.

Uniswap and its peers are seeing more volume now thank to the advent of stablecoins. Their values are designed to track fiat currencies like the dollar, euro, etc. Stablecoins essentially act as fiat currencies on decentralized exchanges, and users can swap them out for any other coin.

This is good news for Uniswap, and it has big ramifications for how people will invest in altcoins in the future.

The Maturing Crypto Landscape

We get asked all the time about our big-picture view of cryptocurrencies. Charlie has been following them since the beginning, and Matt has for the last six years or so. We've definitely noticed a change of late, and it bodes well for the future.

We used to see more of a pattern where you would have a nice bull move in bitcoin and other cryptos over a few weeks, and that would be followed by an outflow with traders taking profits, hitting their marks, setting their stop losses, or any number of reasons. During this period, the whole crypto market cap would flatline for a few weeks as money flowed out of cryptos and back into dollars.

Now we're seeing much of that money stay within cryptos, thanks to what we just talked about – the rise of stablecoins as well as derivatives and distributed finance. There is significantly less outflow back into dollars. Rather, when investors take their money out of bitcoin, Ethereum, and other altcoins, they move it into stablecoins.

Think of stablecoins as similar to a money market account at your brokerage firm. If you sell a stock, you put your money in there to be ready to reinvest it. That's what's happening with cryptos... so much so that some investors are paying a premium for stablecoins. It would be like paying \$0.05 to put \$1 into a money market.

This is another sign of the Awakening.

Big Bitcoin Buy

Square, the online payment company started by Twitter CEO Jack Dorsey, recently purchased \$50 million worth of bitcoin. The company said that bitcoin is “an instrument of economic empowerment and provides a way for the world to participate in a global monetary system...”

Sounds right to us.

Dorsey has long been a fan of bitcoin, and Square's Cash App began allowing bitcoin purchases in 2018. According to reports, PayPal and Venmo also plan to allow users to buy and sell cryptos directly from both websites. PayPal already has a deal with Coinbase where money can be sent to and from the crypto exchange, but a move to directly offer cryptos via PayPal and Venmo would be big.

A Digital Central Bank Currency?

A top official at the U.S. Treasury Department said that the administration is studying a central bank digital currency (CBDC) that would track the U.S. dollar. The Boston branch of the Federal Reserve is already looking into CBDCs and how they can be used with both the Fed and Treasury Department.

Deputy Treasury Secretary Justin Muzinich said that there are “clearly efficiency and cost benefits to using a distributed ledger.” No kidding!

It is only a matter of time until central banks and governments around the world adopt digital currencies as the number one reserve option. As the industry moves toward that day, it will only help boost the value of the entire crypto and blockchain market.

A Very Bullish Indicator

We aren't recommending bitcoin directly, as we see select altcoins as bigger and better opportunities. That said, bitcoin is the vanguard of the crypto industry, and blockchain's success for the last 10 years has been tied to bitcoin. With that in mind, we are always watching bitcoin's price action and developments that show the Awakening is underway.

Bitcoin's trading action is flashing a very bullish signal right now as its 30-day historic volatility nears an important level. According to investor Raoul Pal, volatility dipped to 20% only seven times in the past. In six of those instances, the price shot higher as volatility also spiked.



Odds are that the next big move for bitcoin and the entire crypto universe will be higher. This goes along with what we said in [last week's special issue](#) about bitcoin remaining above \$10,000 longer than it ever has.

Looking at the chart below, you can see how bitcoin peaked around \$10,000 several times in the first seven months of the year. It broke through that resistance level with gusto in late July and has stayed above ever since.



Bitcoin's consolidation above \$10,000 is extremely bullish over the long term, and it appears that a huge mover higher is on the horizon. We see this as just one more catalyst that will send bitcoin to its highest level in over a year. The next stop should be the \$15,000 area.

If and when this occurs, at least some and possibly all the altcoins in our *Crypto Investor Network* portfolio should also explode higher and even outperform bitcoin. With our first four coins trading below their recommended buy limits, you have a great chance to get in before the next move higher.

Let's take a look at our coins now.

Updates on Our Recommended Coins

Electroneum (ETN) has been somewhat quiet in the news the last few weeks, but it is up a nice 7% for us since we started *Crypto Investor Network* on September 21.

As you'll recall, its mission is to spread around the globe and help reach those who otherwise might not be able to earn a living from the digital economy. There are more than one billion people around the world with no access to traditional banking, and Electroneum's goal is to help them be able to pay for goods and services across borders.

It partners with many non-governmental organizations (NGOs), which are often nonprofits, as trusted validators of the blockchain. Electroneum is also partnering with universities like MIT, the Indian Institute of Technology, and the Philippines Institute of Technology to become validators. In turn, these universities and the students who are working on the project are given ETN they can then use.

Electroneum is helping solve a major problem and has a huge total addressable market (TAM). It's still a very small coin – 138th in the world with a market cap of just \$51 million. Considering that, its upside potential is massive as the world moves toward a cashless society in the coming years.

ETN is a good buy up to our limit of \$0.0055.

Polkadot (DOT/USD) announced last month that it will launch a new token minting system called Polimec on its blockchain in 2021. This is a little tricky to understand, so let us explain...

A startup project running on the Polkadot blockchain needs financing, and in order to raise that money the protocol typically issues an ERC-20 token on the Ethereum blockchain. ERC-20s are like digital money, but they can only be used on Ethereum. If and when you need to transfer them to another blockchain, such as Polkadot, the process can become expensive.

That's the hurdle that Polimec removes. It allows protocols to create their own tokens similar to ERC-20 but on the Polkadot blockchain. The creation of ERC-20 was huge for Ethereum, and if Polimec does the same for Polkadot this could be a game changer.

Polkadot's ecosystem currently includes more than 250 projects, and that figure is expected to rise as more projects seek to expand their offerings through interoperability – which is one of the key advantages that this crypto provides. The launch of Polimec could send its growth into overdrive.

The coin is up several percentage points since we introduced it last month, but this is only the beginning. **Keep buying DOT/USD as long as it's trading below \$6.**

Tron (TRX/USD) was originally created on the Ethereum blockchain before moving over to its own network in 2018, but the crypto still shows an eerie similarity to its larger counterpart. Well, maybe not so eerie after all...

CEO Justin Sun attended the LA Blockchain Summit earlier this week and said that the crypto is “creating the same kind of DeFi [decentralized finance] ecosystem as Ethereum.” Its protocols have cloned those of Ethereum and offer different versions of the same product to its users. For example, Tron offers JustSwap, which is the same as our own Uniswap. And Tron's JustStable is the same as MakerDAO.

Tron is sometimes called the “Ethereum Killer” because of the way it's trying to capitalize off its competitor's success. This idea isn't new. Who doesn't love an underdog? But if you want to talk the talk you have to walk the walk, and we're pleased to learn that Tron is backing up its actions.

According to Sun, Tron's protocols are actually performing *better* than Ethereum's. It is able to provide higher scalability and lower fees, which gives it a leg up on its competitor. Sun still has his eye on additional acquisitions to help bolster the crypto's infrastructure, and he's also promoting audits for the products on its protocol so that they can become more legitimate and secure.

Continue to buy TRON up to \$0.03.

Uniswap (UNI), as we mentioned, reached an important milestone when its trading volume exceeded that of Coinbase. It is now the largest decentralized finance protocol, at least when measured by volume.

Another solid sign of progress can be seen in what's called total value locked, or TVL for short. TVL is the value of the cryptocurrency as well as stablecoins, which we said are almost like money market accounts at stock brokerages. In Uniswap's case, its TVL went past \$2 billion at the end of September. It jumped 180% in about two weeks, and that total is equal to the entire DeFi system just three months earlier.

Uniswap is a newer coin, and even though it's fallen 20% in the last week, it's still up 8% over the last month. It is down more than 25% in the three weeks since we started, but that simply makes it an even better buy in our eyes.

We still see big long-term potential, so **UNI remains a buy up to \$6.**

The Next Great Transformation

We've said it before, and we'll say it again.

There is a fuse being lit under the altcoin market... and this fuse will set off one of the largest explosions of wealth in modern history.

That's why we're so thrilled to welcome you as one of the very first *Crypto Investor Network* members. People who invest even modest stakes in altcoins could make millions of dollars.

But keep in mind that to truly understand this opportunity, you must also understand that altcoins aren't really cryptocurrencies in the way most people think about them.

Blockchain technology is the next great *transformational technology platform*.

Transformational technology platforms bring about a wholesale change... like when a caterpillar becomes a butterfly... or when a toddler become a teenager.

Electricity is a great example. The harnessing of electric power in the early 1900s transformed the world. It gave birth to our use of light bulbs, refrigerators, radios, televisions, telephones, air conditioners... the list goes on.

Electric power was the “platform” from which all those incredible innovations sprang to life. The world after we harnessed electricity looked totally different than the one before it.

These revolutions are rare. We saw the emergence of probably just a handful in the 20th century – electric power, the internet, even smartphones.

Each one presented colossal wealth-building opportunities.

The MORE a technology changes the world for the better, the MORE revenue it will generate, and the BIGGER the gains will be for investors.

That's why blockchain is going to be so huge. It's why some high-profile insiders are saying it will be bigger than the internet. It's going to touch virtually every industry on planet Earth.

Investing in altcoins is investing in blockchain projects that make our lives easier, more productive, and more efficient. Buying an altcoin is like buying an early stake in the software programs that made the internet so revolutionary.

That's what we're here to help you with. We've followed this crypto journey a long time – Charlie has since the very beginning – and we're excited about what's to come and the incredible opportunities headed our way.

If you have any questions at all, please feel free to reach out to us and our incredible Customer Service team. You can [click here to send us an email](#), or you can call 1-800-784-0871 if you would like to speak with someone directly.

In the meantime, we'll always send you a special alert if we need to buy or sell quickly, and we'll be sure to let you know if there are any critical updates.

It's great to have you on board.

Sincerely,



Matt McCall

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Crypto Investor Network



Charlie Shrem

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